## Department of HEALTH, EDUCATION, AND WELFARE Region III Charlottesville, Virginia

Summary Report on Conference with Honorable John E. Fogarty April 23, 1962

A special staff conference was held in the Region III Office on April 23, 1962, with Congressman Fogarty, Chairman of the Appropriations Subcommittee for the Departments of Labor and Health, Education, and Welfare, as guest speaker. The names and titles of staff members who attended are listed on the attachment.

Mr. Baxter introduced Congressman Fogarty, pointing out that Mr. Fogarty was in Charlottesville with his family for a brief vacation but agreed nevertheless to come to the Regional Office and meet with the Region III staff. In the introduction, Mr. Baxter referred to Congressman Fogarty's enviable national record in public service, which began with his election to Congress in 1940, his interest and strong support of the programs of this Department, his forceful leadership in Congress and elsewhere for the advancement of human well being, and of Mr. Fogarty's dynamic leadership as the Chairman of the Appropriations Subcommittee.

Mr. Baxter mentioned that the meeting was to proceed with complete freedom of discussion and for the staff to lay before Mr. Fogarty any problems or questions they wished.

Mr. Fogarty: Mr. Baxter, Ladies and Gentlemen, I did not come here to make a speech. I am in Charlottesville to see Monticello again. I want you to know that I am delighted to be with you. I do not know of a more delightful place to have a Regional Office than this part of the country.

As Mr. Baxter told you, I take great pride in having been a brick-layer from 1930-1940. In 1940 I was elected to Congress and have

been there ever since. Since 1947, I have been with the Appropriations Committee, which is considered to be the most soughtafter Committee in the House. There are 50 of us; we have ten sub-committees.

Appropriations for the Department of Health, Education, and Welfare have grown considerably over the past several years. This is as it should be. Those of us who sit on the Appropriations Committee hear about the many problems of health, education, and welfare facing the American people. We believe more should be done about these problems than is being done. We want to do something about them.

We found, for example, that the Department of Agriculture was spending more than 100 million dollars a year in the research of the diseases of animals and plants. The Committee believed that it was important to invest in research in the diseases of human beings. The National Institutes of Health have had a remarkable record. I believe we have the best know-how in the field, but still, much remains to be done.

This year the Appropriations Committee increased the request for funds they thought were necessary, even though the Administration was not too pleased with all the increases. The appropriations were substantially increased for the Hill-Burton program, the Institutes of Health, Air Pollution, Water Pollution, Community Health, and OVR.

Often there are complaints that members of the Congressional Committee never hear what is going on in the field. We do want to hear, we do want to know of faults found in the way programs are being administered. Speak; frankly and freely! It will help our Committee in making up our budget for next year.

Mr. Baxter: The career servants in the Department have been most appreciative over the years for the opportunities your Committee has given them. I remember that Mr. Fogarty always insisted that Committee witnesses state their own views.

Mr. Reedy: I think it is well understood that the Public Health Programs and the Social Security System, including Public Welfare,

are an acceptable part of public policy. Why has rehabilitation of the disabled not been similarly accepted. Ninety-two thousand people were rehabilitated last year with the \$90 million appropriated. Why should we not make money available for rehabilitation on the basis of need as do the above programs to which I referred?

Mr. Fogarty: Our Committee cannot appropriate funds unless there is authorization by Congress. I think personally that the rehabilitation program is going too slowly. We have some very poor State programs. We believe that more of these funds should be spent on the severely handicapped instead of just trying to set a record. We have been insisting on spending more time on the blind and the mentally retarded and other difficult cases that very likely take a year or more to train for a job. We think legislation should be enacted for an "independent living" program. This could be done, but Congress has not acted. Your suggestion should be made to the Legislation Committee. If legislation is enacted, our Committee will get the money.

In OVR we make money on every dime we spend. For every dollar we spend, the Federal Government gets back at least \$10.00. We can save the Federal Government money by spending more money in some of these areas.

Mr. Baxter to Mr. Reedy: You are advocating an "open end" approach for OVR.

Mr. Reedy: Yes, it would bring the "rights" concept into rehabilitation, as it has been brought into several other Departmental programs.

Mr. Fogarty: We make the money available so that the States that wish can take full advantage of them; for example, Georgia and West Virginia. The States that put up the matching funds can benefit from it. States that are slow in coming up with their matching funds lose out.

Mr. Baxter: Recommendations now have been made to help the slow-starting States which now are penalized for their former slowness.

Mr. Reedy: Some of the slow-starting States are Kentucky, Ohio, and Indiana. This year-by-year or two-year projection on what Federal money might be available has not been sufficient advance notice to enable States to plan adequately. With full Federal support they would move ahead faster.

Mr. Fogarty: One Congress cannot bind another as to how much it will appropriate. I think the record over the past 10 or 12 years perhaps will show the States what they can count on. We are increasing every year the allotment for rehabilitation. The record is there and I think that ought to be good enough for the States to plan. Congress is against an "open-end" appropriation—it would be loose administration, and Congress could not exercise reasonable control.

Mr. Aycock: Many people are aware of your continuing interest in expanding programs in aging and that you have recently introduced legislation on this—would you care to comment on the early enactment of grant programs to the States?

Mr. Fogarty: In Mr. Ewing's administration two or three people worked on problems of aging. This year a few more are working on these problems; however, last summer appropriations were made to hire additional personnel.

The White House Conference, 1960, was held a year ago last January. Out of it came 600 recommendations. Every State and community had a chance to express its views. At that time I had the privilege of speaking at the conference. The conference recommended a non-partisan Commission on Aging. The Department did not get started in bringing in personnel in the fashion that we thought it should.

Senator McNamara and I re-introduced bills setting up an independent Aging Commission to report directly to the President. We have been urging the Department to do more and to get more personnel. Hearings were held last week. Nine out of ten witnesses supported the independent commission. The Administration has not testified. If we are going to get action, it has to come from the top. The Administration, for example, has been advocating that the States set up independent Aging Commissions.

Mr. Aycock: Do you anticipate any action by Congress this year?

Mr. Fogarty: I think so, if we can get it through the House.

Mr. Baxter: In this Region we have held Regional committee meetings on aging for six years, and even before that we had the States in here talking about aging. Mr. Aycock, could you talk about some of the specifics that are going on in these States? We have Commissions in every State except the District of Columbia.

Mr. Aycock: We have more or less active programs in the States—most active is Maryland, North Carolina is perhaps second. Maryland endorsed this program, but they are primarily for grants to the States. I agree that we need some seed money grants to States.

Mr. Fogarty: Drop me a line as to what you are doing and keep me up to date.

Mr. Aycock: (Discussed briefly the aging meeting held here last week.)

Mr. Baxter: We are proud of the dynamic movement of aging in this Region. The people from the States have worked closely with us.

Mr. Fogarty: My State now has an excellent program going. But, there is difficulty in getting money out of the State.

Mr. Dewberry: The situation with dual responsibility for administering the OASI Disability programs is horrible. I suppose the States are doing the best they can, but once your Committee appropriates funds for us to administer the program, the funds are advanced to the States. States cannot hire personnel except according to State rules, which often are very cumbersome. This greatly handicaps their operations. Also, some States have very strong notions that they do not want to increase personnel. If the disability program is to ever get

off the ground, it is going to have to come through Federal administration, rather than through 54 separate State administrations.

Mr. Fogarty: I think you are right. This is in the jurisdiction of the Ways and Means Committee, and all we can do is to appropriate the funds.

Mr. Dewberry: Congressman Harrison came face-to-face with the problem some years ago. But the Administration cannot be as responsive as we should like because we have to work with the States. I realize that the States have a problem there.

Mr. Fogarty: Take the time to put this down in writing also. I think that it is very important. Sometimes our Committee can make recommendations. Send them to our Committee Clerk, Mr. Robert Moyer.

Mrs. Helms: The Children's Bureau appreciates your efforts on getting larger appropriations.

Mr. Fogarty: Two years ago we started in on this program, and again this year we put something in our report. A great deal more can be done if given a chance.

Miss Goggans: I also would like to express my appreciation for your interest in the Children's Bureau.

Mr. Baxter: Miss Goggans has been instructing on mid-wifery.

Miss Goggans: (short description of her work.)

Mr. Baxter: One of the problems in relation to HEW programs is that because of matching requirements, we often do not get money to the communities which need it the most. For example, in the Appalachian area, we are not getting the money out there.

Mr. Fogarty: If a given community cannot raise 33 1/3 per cent of the cost of the project, they cannot get the Federal money.

Mr. Baxter: For waste treatment and sewage disposal, the Federal grant is a maximum of 30 per cent. Communities that

need it the most cannot raise the money. ARA does have the authorization under limited circumstances to make a grant to these communities, but this is not reaching most of the communities that need help the most. Some provision ought to be made to allow a higher Federal percentage in communities with low per capita income.

Mr. Fogarty: It is going to be a very difficult problem to overcome.

Mr. Baxter: If better educational opportunities were available in the Appalachian area, the people could make a better living in their own community or would move to other communities. But better educational facilities in many communities in the economically depressed areas will come only if expenditures for education are stepped up a great deal.

Mr. Fogarty: We ought to be spending a lot more money on education. The most serious domestic problem now facing the country is automation. If a person does not have at least a high school education, he is going to be permanently under-unemployed. Ten or fifteen years from now, the people untrained and uneducated will constitute 95 per cent of the unemployed. Education, agriculture, and automation are the three big domestic problems facing this country.

Dr. Bryant: Recently various studies have been made to determine to what extent the Federal Government is supporting higher education. Would you care, Mr. Chairman, to comment on the idea back of that? What does Congress expect?

Mr. Fogarty: Education bills are now pending in the Rules Committee. In aid to higher education, we think that the deadlock has been broken. This will go to Congress next week. Also, there are other plans on quality-teaching education bills which might have a good chance too. But, I do not think anything else will be done.

Dr. Bryant: The Senate bill provides grants for construction. In the House, there are provisions for both grants and loans.

Mr. Fogarty: The Senate bill has scholarships.

Dr. Bryant: The House has eliminated scholarships in its bill. If there will be no scholarships, I'm for loans. I have an idea the House will prevail, and there won't be any scholarships.

Mr. Baxter: I am much interested in two other bills—(1) junior colleges, and (2) literacy education. These programs would especially benefit Kentucky, West Virginia, and western North Carolina and southwestern Virginia in this Region.

Mr. Fogarty: This legislation will help. It is going to be impossible for persons with large families to see that all of their children receive a college education.

Dr. Seifert: Congressman Perkins thinks that the adult education bill may receive favorable consideration. In Virginia, we have 340,000 adults with less than six years' education. In Kentucky, there are 34,000 people who have not even been to school, and 230,000 with less than five years' education.

Mr. Reedy: I have a question as to whether we can accomplish our goals as long as this present approach to financing is maintained.

Mr. Fogarty: It does not look good to me. Most members of the Congress seem to think that if the States are interested, they should be able to put up some money.

Mr. Dewberry: What do you think will happen to the Health bill before the Ways and Means Committee? Will it pass?

Mr. Fogarty: Yes.

Mr. Dewberry: With the present major provisions intact?

Mr. Fogarty: Yes. Mr. Harrison believes that it is a question of how we are going to administer and pass such a program. The question is how to do it, and he is working on it now. We probably have enough votes to get it out.

Three or four years ago, several groups with the AMA made it an all-out fight. Most these groups are now looking for a way

out. The opposition is crumbling down around the AMA, only a small group is carrying on the fight now.

Mr. Dewberry: Do you want to comment on your judgment at the moment as to what the administration of the medical program would be like, assuming it is enacted.

Mr. Fogarty: I do not know enough about the technicalities to comment. I assume the bill will pass. I do not see any difficulties that lie ahead. Some of the younger doctors I know are behind the program.

I do not see any general Federal aid bill to education for a long time. The extension of NDEA could be controversial, but should pass. Other than that, we are not going to have much aid to education in general anyhow. If it were not for the National Institutes of Health, today most medical schools would have to fold up.

Dr. Bryant: What is the nature of the Federal control which concerns opponents to Federal aid?

Mr. Fogarty: They fear the DHEW would be telling the States what to teach, what the teachers' training is to be, and general supervision as to what is to be taught.

Dr. Moore: One of the underlying problems for the insurance of quality and standards of health and medical care in the future is a substantial supply of health and medical manpower. It might be of interest to suggest a Federal school of medicine which would be in cooperation with PHS and the Armed Forces to help supply our own needs and to provide standards to other schools (a West Point of medicine).

Mr. Fogarty: That plan just doesn't hit me right now. The trouble is we are having a rough time now in getting more money. Your idea would be controversial. Something has got to be done since it is difficult to hold the better men in Government because of the low salary structures.

This year 16 million dollars under the President's budget was marked for training and scholarships.

Mr. Ferguson: I have a complaint. The travel and per diem for Commissioned Officers was not increased along with civil service per diem rates about a year ago.

Mr. Fogarty: The use of travel money is one of the things that will come out in the Fountain Report.

Mr. Baxter: In some respects, benefits for Commissioned Officers are ahead of those for civil service employees. PHS personnel policies are often dependent on what the military does.

Mr. Fogarty: We think we have done pretty good in HEW as far as salary raises go because supplemental appropriations go through Congress well.

Mr. Dewberry: Another complaint is one concerning mileage. Some Government agencies are paying the full 12 cents a mile authorized by Congress. Some are not even paying the 10 cents that existed previously.

Mr. Baxter: Also, some agencies pay 6 or 7 cents to certain employees. Mr. Fogarty might want to look into this. Commissioned Officers, who receive 7 cents a mile, can often collect mileage when they are riding with someone else.

Mr. Dewberry: You really tear a car up travelling some roads.

Mr. Baxter: Don't we have a higher rate in Puerto Rico?

Mr. Dewberry: Slightly higher.

Mr. Ferguson: There is some discussion about a new development for urban affairs—administratively grouping urban affairs, air pollution, and water pollution, and certain other programs. Is there real movement in this area?

Mr. Fogarty: No. We have hopes of getting money to start a new Environmental Research Health Center in Maryland, similar to the Institutes of Health, for air pollution, water pollution, and radiological health. Last year a subcommittee adopted the plan, but

the full committee did not pass it. Any day now there will be presented a supplemental request to buy this land and provide funds for designs and planning for the Environmental Center.

Dr. Seifert: When is Congress going to adjourn this year?

Mr. Fogarty: It is scheduled to be up the first of July, but it may be the first of September. The House is in pretty good shape, but the Senate is way behind.

Mr. Fogarty invited the Regional staff to submit comments to him in writing on any problems they wished to present. In response to this the Regional Child Welfare Representative has recommended that the Committee look into Title V, Part 3, SSA, concerning the Federal-State matching requirements for the Child Welfare grant program. In essence, the statute provides that Federal grant funds be distributed to States under a prescribed formula provided States match these Federal funds on a dollar-for-dollar basis. In reality, however, most States spend from their own funds amounts far in excess of those necessary to "earn" the Federal grant money. These States are free to do as they wish with the earned Federal funds—to use them for further expansion of the Child Welfare program or for purposes entirely unrelated to child welfare.

Under these circumstances, many States do not necessarily extend or strengthen their own public child welfare services. As the strengthening and extension of Child Welfare services is the basic objective of the Federal statute, the Federal matching grant formula ought to be revised to better carry out these objectives.

Mr. Fogarty expressed his enjoyment of meeting with us. After thanking Mr. Fogarty, Mr. Baxter adjourned the meeting at 12:30.

## Staff Members Present

at

## Conference with Honorable John E. Fogarty April 23, 1962

- Mr. Edmund Baxter, Regional Director
- Mr. Donald A. Gordon, Assistant Regional Director
- Mr. H. Burton Aycock, Regional Representative on Aging
- Dr. Carl E. Seifert, Regional Representative, Office of Education
- Dr. James Woofter, Regional Representative, School Assistance, Office of Education
- Dr. M. Howard Bryant, Regional Representative, College and University Assistance, Office of Education
- Mr. Maurice D. Dewberry, Regional Representative, Bureau of Old-Age and Survivors Insurance
- Miss Sally E. Crocker, Staff Assistant, Bureau of Old-Age and Survivors Insurance
- Miss Dorothy Watson, Staff Assistant, Bureau of Old-Age and Survivors Insurance
- Mr. Lamont W. Williamson, Staff Assistant, Bureau of Old-Age and Survivors Insurance
- Mr. Ward Elliott, Jr., Staff Assistant, Bureau of Old-Age and Survivors Insurance
- Mr. Bernard V. McCusty, Regional Attorney, Office of the General Counsel
- Mr. Philip T. Brown, Attorney Advisor, Office of the General Counsel
- Mrs. Mary T. Clegg, Personnel Officer
- Mr. Neill E. Sanborn, Staff Assistant for Civil Defense
- Mrs. Floris R. Eby, Management Analyst
- Mr. Claire W. Hardy, Regional Hearings Representative, Office of Hearings and Appeals
- Mr. Eugene BeHage, Regional Hearings Representative, Office of Hearings and Appeals
- Mr. Corbett Reedy, Regional Representative, Office of Vocational Rehabilitation
- Mr. William A. McCauley, Associate Regional Representative, Office of Vocational Rehabilitation
- Mr. Kent F. Bradbury, Regional Representative, State Merit System
- Mr. Robert B. Rogers, Assistant Regional Representative, Division of Surplus Property Utilization

- Mr. William C. Folger, Financial Management Officer, Fiscal Section
- Mr. Joseph A. Viau, Supervisory Auditor, Grant-In-Aid Audits
- Miss Zella Z. Larimer, Associate Regional Representative, Bureau of Family Services
- Mr. E. Herbert Eby, Social Administration Advisor, Bureau of Family Services
- Mrs. Freddie P. Wilson, Associate Regional Representative, Bureau of Family Services
- Mrs. Elizabeth H. Chief, Administration Advisor, Bureau of Family Services
- Mr. Benjamin H. Guy, Administration Advisor, Bureau of Family Services
- Mr. Frank R. Blaisdell, Chief, Construction Grants Branch, Water Supply and Pollution Control
- Mr. William A. Rosenkranz, Chief, Water Resources Development Section, Water Supply and Pollution Control
- Mr. Gerald W. Ferguson, Project Director, Chesapeake Bay Drainage Basin Project, Water Supply and Pollution Control
- Dr. George Moore, Associate Regional Health Director, Community Health, Public Health Service
- Mr. Fred M. Ashley, Regional Accident Prevention Consultant, Public Health Service
- Mrs. Kate B. Helms, Regional Foster Care Consultant, Children's Bureau
- Miss Lalla Mary Goggans, Regional Nursing Consultant, Children's Bureau
- Mr. John E. Pipes, Administrative Methods Consultant, Children's Bureau